

UNITED STATES DEPARTMENT OF AGRICULTURE

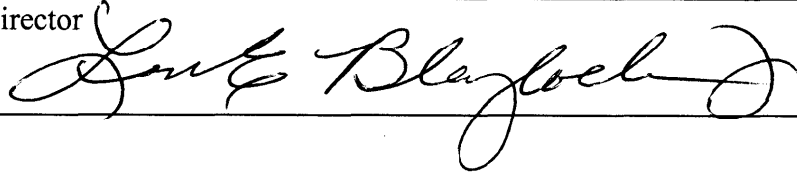
Farm Service Agency
Room 3416, 700 West Capitol Avenue
Little Rock, Arkansas 72201

AR NOTICE PL-13

For: FSA Offices

2004 Payment Policy for Combined State Producers

Approved by: State Executive Director



1 Overview

A Background

In accordance with 1-PL, paragraph 256, all State agencies, divisions, or other bodies that Receive tax revenue support, or political subdivisions that have taxing authority are combined as one "person" for payment limitation purposes with the State.

State combined producers may agree to a method of disbursing program payments and selections "permitted entity" designations before the end of the signup. If the State combined producers do not develop a payment method by the end of signup, a drawing shall be conducted by the Control County (State Office) to determine the order of payment and permitted entity designation.

B Purpose

The purpose of this notice is to:

- Provide a payment method for disbursing the 2004 Direct Counter-Cyclical Program payments (DCP) for participating combined State Producers.

Disposal Date

September 1, 2004

04-13-04

Distribution

FSA Offices

AR Notice PL-13

2 County Office Action

A Notify State Entities

Combined State producers shall be informed of the provisions in Exhibit 1 of this notice by April 30, 2004. This letter should be mailed to every State entity that has an interest in a county farming operation except for:

- Public or universities exempted in accordance with 1-PL, paragraph 256 B.

Combined State producers may agree to a designated method of disbursing 2004 DCP program payments by contacting the State FSA Office by June 1, 2004, to give the alternative payment method agreed upon by all affected parties.

If no alternative method is agreed upon by all affected parties, a drawing will be conducted at 10:00 a.m. on June 11, 2004, in the State FSA Office, to select the payment order in which participating combined State producers will receive 2004 program payments.

B Submit to the State Office

Compile the following information after the 2004 farm program signup period for eligible participating State combined producers. Submit Exhibit 2 of this notice along with the following information to the State Office, attn: Steve Walker, by June 4, 2004.

- CCC-509, Direct and Counter-Cyclical Program contracts
- CCC-509E, Estimated payments subject to limitation
- CCC-501B's, if applicable
- CCC-502's, if applicable
- MABDIG

Negative Reports are required.

AR Notice PL-13

Exhibit 1

Sample Letter

Date

Producer's Name
Street Address
City, State and Zip Code

Dear Producer:

A State, including political subdivisions and agencies thereof, is collectively considered as 1 "person" for payment limitation purposes and therefore may not receive payments or "permitted entity" designations exceeding the amount afford 1 "person". To be eligible for payment, each "person" must be determined "actively engaged in farming" and in compliance with highly erodible land conservation and wetland conservation provisions.

If you intend to participate in the 2004 Direct and Counter-Cyclical Program (DCP), you must enroll by June 1, 2004. No later than June 1, 2004, all combined State producers should develop a method of disbursing 2004 program payments subject to the limitation and selecting "permitted entity" designations and inform the State FSA Office (Control County Office) in writing at the following address:

Arkansas State FSA Office
Attn: Production Adjustment/Compliance/Payment Limitation Division
Federal Building, Room 3416
700 West Capitol Ave.
Little Rock, AR 72201

If no method is given, the State FSA Office will conduct a drawing, open to the public, on Friday, June 11, 2004, at 10:00 a.m., for selecting the order in which participating combined State producers will receive payments subject to the limitation and "permitted entity" designations for 2004 program payments.

If a drawing is conducted, you will be notified of the results.

Sincerely,

County Executive Director

Summary Program Earning Report for State Combined Producers

County

| 2004 Direct Payments | | |
|-----------------------------|------------------|---------------------------|
| State Entity Name | ID Number | Estimated Payments |
| | | |
| | | |
| | | |
| | | |
| | | |

County Executive Director

Date☐ Negative Report

